

## Message Text

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73

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00 DODE-00

DOTE-00 INR-07 NSAE-00 FAA-00 L-03 SS-15 NSC-05 PA-02

USIA-15 PRS-01 SP-02 /075 W

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R 272104Z MAY 75

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC 6555

UNCLAS OTTAWA 1976

SENT INFO ALL CG'S IN CANADA

E.O. 11652: N/A

TAGS: EAIR, CA

SUBJECT: CIVAIR: DOMESTIC FARE INCREASE APPROVED

REF: OTTAWA 1785

1. CANADIAN TRANSPORT COMMISSION ANNOUNCED ORALLY LATE MAY 26  
THAT DOMESTIC AIR FARES INCREASES WOULD COME INTO EFFECT  
MIDNIGHT THAT DATE. ORDER CONTAINING FORMAL JUSTIFICATION  
TO BE ISSUED LATER, PROBABLY BY END OF MAY. INCREASES  
AVERAGE TEN PERCENT ON ECONOMY CLASS AND FOURTEEN PERCENT  
ON FIRST CLASS FARES. THEY ARE SOMEWHAT HIGHER ON SHORT  
HAUL ROUTES.

2. COMMENT: THIS IS THE THIRD INCREASE IN FARES APPROVED  
IN PAST TWO YEARS. TWO INCREASES IN 1974 AVERAGED 20  
PERCENT. SECOND 1974 INCREASE AS WELL AS THIS ONE WERE  
BITTERLY CONTESTED BY CONSUMER ASSOCIATION OF CANADA  
AND WERE SUBJECT TO PUBLIC HEARINGS. OPPOSITION TO THE  
INCREASE WAS ALSO DISPLAYED BY THE PROVINCIAL  
GOVERNMENTS OF MANITOBA, SASKATCHEWAN AND BRITISH  
COLUMBIA WHO AT ONE POINT REQUESTED A TWO WEEK  
DELAY IN THE HEARINGS (AND IN THE EFFECTIVE DATE OF  
THE FARE CHANGE) FOR FURTHER STUDY. WHEN THIS WAS  
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DENIED THE BRITISH COLUMBIA REPRESENTATIVE ABRUPTLY

WITHDREW FROM THE HEARINGS. THIS PROVINCIAL POSITION  
MAY RAISE THE ISSUE FROM THE REGULATORY TO THE POLITICAL  
LEVEL, BUT WHETHER UNDER PRESENT LEGISLATION THE GOC  
CAN MODIFY THE ACTION OF THE CTC (EVEN IF IT WISHED TO)  
REMAINS TO BE SEEN. RECENT COURT CASES INVOLVING  
RAILROAD RATES SUGGEST THE GOC CANNOT DO SO AND  
INDEED ONE OF THE OBJECTIVES OF THE NEW NATIONAL  
TRANSPORTATION POLICY UNDER DEVELOPMENT (SEE OUR A-211,  
APRIL 10, 1975) IS TO MODIFY EXISTING LEGISLATION SO AS  
TO ENABLE THE MINISTER TO GIVE GUIDANCE IN CERTAIN  
CIRCUMSTANCES TO THE REGULATORY BODY.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CIVIL AVIATION, CONSUMER PROTECTION, INVESTIGATIONS, AIR FARES, SUPPLEMENTAL AIRLINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 27 MAY 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975OTTAWA01976  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750185-0654  
**From:** OTTAWA  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1975/newtext/t19750517/aaaaaoug.tel  
**Line Count:** 73  
**Locator:** TEXT ON-LINE, ON MICROFILM  
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**Original Handling Restrictions:** n/a  
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**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
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**Review Date:** 28 JUL 2003  
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**Subject:** CIVAIR: DOMESTIC FARE INCREASE APPROVED  
**TAGS:** EAIR, CA  
**To:** STATE  
**Type:** TE  
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